

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
JULY 20, 2015**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, July 20, 2015.

The meeting was called to order by Chairman Rick Stradtner.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Rick Stradtner – Chairman
Doug Schulte – Vice Chairman
Roger Seng – Secretary
Alex Emmons – Wastewater Commissioner
Wayne Schuetter – Electric Commissioner
Dave Hurst – Water Commissioner
Keith Masterson – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Ernie Hinkle – Gas & Water Manager
Bud Hauersperger – General Manager
Ashley Kiefer – Office Manager
Renee Kabrick – City Attorney

ABSENT:

Ed Hollinden – Wastewater Manager

PLEDGE OF ALLEGIANCE (DVD-00:46)

Chairman Rick Stradtner led the Pledge of Allegiance.

QUOTE OPENING: METER READING VEHICLE – BUSINESS OFFICE (DVD-01:15)

Bud Hauersperger opened the quotes and read them aloud as follows:

1. Bob Luegers	\$30,841.00
Jasper, IN	- 2,500.00 (trade-in)
	\$28,341.00
2. Uebelhor & Sons	\$28,622.00
Jasper, IN	- 5,300.00 (trade-in)
	\$23,322.00

All quotes included a Non-Collusion Affidavit, an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation and an Affidavit Regarding Non-responsibility.

Hauersperger stated that the quotes were lower than the Capital Expenditure Plan due to no “green” vehicles being quoted because they didn’t have the right specifications. All Utility Departments will split the cost of the new Meter Reading vehicle.

Wayne Schuetter made a motion to take the quotes for the new Meter Reading vehicle under advisement. Keith Masterson seconded the motion. Motion approved, 7-0.

APPROVAL OF MINUTES (DVD-06:53)

Chairman Rick Stradtner presented the minutes of the June 15, 2015 Regular Meeting and the July 1, 2015 Special Meeting and there being no corrections or amendments, asked for a motion to approve the minutes. Doug Schulte made a motion to approve the minutes of the meetings as presented. Dave Hurst seconded the motion. Motion approved, 7-0.

PETITION TO VACATE PUBLIC ALLEYS -302 CLAY STREET & 205 W. 4TH STREET- BILL KAISER, BINGHAM, GREENEBAUM, DOLL LLC ON BEHALF OF DONALD AND MARILYN HOPSTER (DVD-07:32)

Bill Kaiser with Bingham, Greenebaum, and Doll, on behalf of Donald and Marilyn Hopster, requested vacation of three public alleys. The alleys are located between 302 Clay Street and 205 West Fourth Street. The Hopster’s have given all the proper notices for the vacations. Kaiser spoke to both property owners adjacent to the alleys and neither owner is opposed to the vacation.

The Hopsters have no plans to do anything with the alleys; they aren’t being used, therefore they would like to vacate them. The alleys are 8 foot in width. Ernie Hinkle stated that there is a two inch gas main in alley #2. Jerry Schitter stated that the Electric Department has a three phase circuit, an above ground line, running east and west on the alley. An Easement would need to be obtained to maintain the utilities in all of the alleys. Kaiser stated that the City would retain the right to have existing utility appurtenances within the 8 foot alleys.

Wayne Schuetter made a motion to recommend to the Common Council the vacation of the three public alleys on 302 Clay Street and 205 West Fourth Street pending suitable language to replace them with Public Utilities and Drainage Easements. Doug Schulte seconded the motion. Motion approved, 7-0.

PETITION TO VACATE PUBLIC UTILITY & DRAINAGE EASEMENT – 322 SOUTH MERIDIAN ROAD- BRAD ECKERLE, BROSMER LAND SURVEYING ON BEHALF OF AARON REES (DVD-31:51)

Brad Eckerle, with Brosmer Land Surveying, on behalf of Aaron Rees, requested vacation of a Public Utility and Drainage Easement (PU&DE) on 322 South Meridian Road. The location of the vacation is in the Brentwood subdivision, south of the bowling alley on Meridian Road. Aaron Rees is the owner of Lots four and five in the Brentwood subdivision. Rees would like to vacate the existing 10-foot PU& DE on Lot 4 with a new dedication of the additional 10-foot

PU&DE on Lot 5. Rees desires to vacate and relocate the south 10 feet of the existing 20-foot PU&DE to facilitate a proposed accessory building within the existing easement area. Eckerle stated that the Wastewater Department is the only Utility impacted by the vacation, due to a manhole located on the lot. The Wastewater Department is fine with the new Easement and no other Utility has concerns.

Alex Emmons made a motion to recommend to the Common Council the vacation of the 20 foot PU&DE on 322 South Meridian Road Lot 4 and replace it with a new 20 foot easement on Lot 5. Dave Hurst seconded the motion. Motion approved, 7-0.

WATER PLANNING COMMITTEE REPORT (DVD-36:32)

Dave Hurst, Chairman of the Water Planning Committee, stated the committee did meet on July 13th. At the meeting Chairman Stradtner questioned the possible decision to expose the 8,800 ratepayer's money in order to raise the Beaver spillway. He also questioned if raising the Beaver Spillway 11 inches is necessary for utilizing the lake as a back-up water supply for the City of Jasper.

The Committee discussed if Beaver Lake, left as is, is an adequate backup water supply for the City. Ernie Hinkle stated that the valve has only been opened one time since the 1950's. Hinkle stated that the last time we experienced drought conditions the lake was empty due to the construction of the new spillway. If this situation happens again the most effective way to get water from Beaver Lake to the Jasper intake would be to build a direct pipeline. Hinkle stated that Patoka Lake is our primary water source, and the Army Corps of Engineers has been very cooperative if and when the City needs water in an emergency situation.

The Committee discussed how many lot renters out of the 224 lots located around the lake were affected by the 11 inch lower water level. An accurate number was not determined. Some docks would need lowered and fingers on the lake would need dredged out. Hauersperger stated that the lake was a fifty year lake when built. A lake management plan will need to be discussed further with the Park and Recreation Department and lot owners.

Hauersperger reminded the Committee that two bids were received for the spillway modification. The low bid was from Krempp Construction, Inc. for \$334,400 and the other was from Force Construction for \$531,789. Engineering fees were not included in either bid. Hauersperger contacted Christopher B. Burke Engineering and the estimated engineering costs for the project would be \$45,000. Force Construction's bid was higher, due to site demolition, hauling of dirt, not good accessibility, and scheduling issues. Total cost for the project including engineering fees would be \$379,000.

After much discussion, the Committee decided that the project is not needed. The Water Committee will recommend against the Utilities contributing to the spillway modification project at the Utility Service Board (USB) meeting next Monday. The USB, as a whole, will then make the final decision if the Utilities will contribute to the Beaver Lake Dam Spillway modification.

Attorney Kabrick informed the Board that the Indiana Department of Natural Resources (IDNR) mandated the Beaver Spillway modifications, not IDEM, as stated in the Water Committee Minutes.

Chairman Stradtner informed the Board that the Spillway modifications were mandated by IDNR in order for the dam to facilitate the handling of 27 inches of rain in six hours. The mandate had to be complied with or the City would have to decommission Beaver Lake which would have cost approximately \$1.1 million. The Board agreed on the Spillway modification for the dam, which cost approximately \$500,000, and was completed in 2012. Shortly after the modifications Beaver Lake property owners and renters complained that the Lake was not at its prior level of water. After investigation, the City did find that the Lake was approximately 10 to 12 inches lower than its prior level. At that time, the Board decided to have Morley and Associates perform an analysis on the spillway to make sure the survey, design, and the construction of the spillway was completed accurately. Based on Morley and Associates findings, all work was done accurately and meets IDNR specifications.

Chairman Stradtner once again questioned if the Utilities should expose ratepayer funds to fix the Beaver Lake water levels to their prior level, when Beaver Lake is not necessary for a back-up water supply for the City. The Water Committee agreed that this was not necessary at the meeting. Chairman Stradtner reminded the Board that a 17% water rate increase was just implemented and the upcoming Newton Street main project will cost over two million dollars.

Chairman Stradtner sympathized with the Beaver Lake property owners and renters. He also stated that the City didn't want to spend almost \$500,000 for the dam and spillway modifications mandated by the IDNR.

Chairman Stradtner stated that the Board had four voting options regarding the raising of the Beaver Lake spillway. The first option is not to fund the project, the second option is not to fund the project but keep the bids open for the stakeholders to look for funding alternatives, the third option is partially fund the project, and the fourth option is table the issue, and make a timetable for further consideration.

Brad Popp, John McGovren, and Brad Payne spoke to the Board on behalf of the lot owners and renters of Beaver Lake. Popp stated that the majority of lake renters and owners were under the impression that the Lake was going to be fixed. He asked that the Board slow down in their decision making on this project and take some time to work with the lot owners and renters on a solution for the Lake. Popp stated that the lake levels are not safe; we have had two really wet years, so no one knows what the new water levels will actually be. The lake renters and owners are willing to work with the City to find a solution. Much discussion followed.

Chairman Stradtner clarified that the Water rate study performed by Umbaugh and Associates did include a 2% allowance for replacements and improvements. This fund was not set up solely for the Beaver Lake project, as some of the public has mentioned.

Attorney Kabrick stated that she would try to coordinate a meeting between the representatives for Beaver Lake, the Park and Recreation Department, Utility representatives, and City officials to discuss the water level at Beaver Lake and how to proceed.

Wayne Schuetter stated that he would agree to give the users of Beaver Lake the opportunity to finance the modifications themselves. Schuetter also stated that Beaver Lake is like having insurance for the City of Jasper during a drought; you don't need the insurance until you actually need it. Schuetter stated that there are two governing boards over Beaver Lake. The Utility Service Board and the Park and Recreation Board need to come together to help find a solution

for the lake. Dave Hurst, Doug Schulte, and Alex Emmons all agreed that ratepayers shouldn't have to pay for the lake's modifications.

Dave Hurst made a motion to proceed with the recommendation of the Water Committee that the Utility Service Board will not fund the modifications of the Beaver Lake spillway project but keep the bids open until their expiration, and at the next USB meeting held on August 17th, hear information from the stakeholders regarding alternative financing. Keith Masterson seconded the motion. Motion approved, 7-0.

POWER PLANT ENGINEERING QUOTES (DVD-1:39:44)

Bud Hauersperger informed the Board that he contacted three environmental engineering firms and requested Requests for Proposals (RFP's) for the salvaging of the Power Plant. Cardno was the low bid for \$2,840. Cardno also performed the environmental assessments for the Power Plant. Hauersperger checked references and they meet all specifications for the project. Hauersperger expects Cardno to compile documents with plans and specifications to send out to potential bidders to salvage the Power Plant or leave the building as a shell. Hauersperger hopes that some larger items can be bid on as individual items.

Alex Emmons made a motion to accept the low bid from Cardno for \$2,840 for the salvaging of the Power Plant, contingent on an agreement prepared by Legal. Wayne Schuetter seconded the motion. Motion approved, 7-0.

ELECTRIC PLANNING COMMITTEE REPORT (DVD-1:44:01)

Wayne Schuetter, Chairman of the Electric Planning Committee, stated the committee did not meet during the past month.

Schuetter informed the Board that a statement was made a couple of weeks ago by the consultants working on the Hoosier Desk building project. They stated that there was a possibility of the Electric Utility funding \$480,000 towards that project. Schuetter wanted to clarify to the Board that there was no discussion with the Electric Committee or any Board members concerning that funding. Schuetter wanted the public to know that no commitment has been made by the Utility Service Board toward that project; the funding was strictly speculative.

UPDATE ON UV PROJECT (DVD-1:45:14)

Derick Wiggins with Midwestern Engineers updated the Board on the UV project. Wiggins stated that the project is substantially complete as of today. They had training and start-up last week and experienced a few issues, which are all taken care of now. It will be a few weeks before the old weirs are out of commission. Wiggins stated that a punch list has been generated and everything is now working well.

GAS PLANNING COMMITTEE REPORT (DVD-1:46:34)

Keith Masterson, Chairman of the Gas Planning Committee, stated the committee did not meet during the past month.

WASTEWATER PLANNING COMMITTEE REPORT (DVD-1:46:50)

Alex Emmons, Chairman of the Wastewater Planning Committee, stated the committee did not meet during the past month.

UPDATE ON PHONES & SERVER (DVD-1:47:03)

Bud Hauersperger informed the Board that the contract for the phone system with Matrix Integration was ready for the Board to sign. The project should be completed within sixty days.

Hauersperger stated that he is still working on the servers. He has no new information at this time.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (DVD-1:48:01)

Roger Seng reported that the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Wayne Schuetter made a motion to approve the claims as presented. Keith Masterson seconded the motion. Motion approved, 7-0.

MAYOR (DVD-1:49:01)

Mayor Seitz thanked the Utility Service Board for their decision regarding the phone system in City Hall and all City Departments.

Councilman Earl Schmitt complimented the Board on how they handled the Beaver Lake Spillway modification discussion.

There being no further business to come before the Board, the meeting was adjourned at 8:52PM upon motion by Alex Emmons and seconded by Wayne Schuetter. Motion approved, 7-0.

The minutes were hereby approved X with _____ without corrections this _____ day of _____, 2015.

Attest: _____
Secretary Chairman